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AT&T

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April 18, 1997

HAND DELIVERY
Daniel Gahagan
Executive Secretary
Public Service Commission
of Maryland
6 St. Paul Centre, 16th Floor
Baltimore, Maryland 21202

Re: In the Matter of the Commission Inquiry Concerning
Bell Atlantic- Maryland, Inc.'s Compliance with
Section 271(c) of the Telecommunications Act of 1996
Case No. 8751

Dear Mr. Gahagan:

Enclosed for filing please find an original and twenty copies of the public version and fifteen copies of the proprietary version of the Comments of AT&T Communications of Maryland, Inc. submitted in the above-referenced proceeding.

Copies of this submission that contain proprietary information will be sent to persons on the service list after they have executed an appropriate protective agreement. Parties may call 703-691-6047 in order to obtain a copy of the protective agreement. Public versions of the submissions will be sent to all parties on the service list.

Respectfully,

Karlyn D. Stanley

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OF MARYLAND

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cc: Attached Service List

BEFORE THE PUBLIC SERVICE COMMISSION
OF
MARYLAND

IN THE MATTER OF THE COMMISSION INQUIRY CONCERNING BELL ATLANTIC MARYLAND, INC.'s COMPLIANCE WITH SECTION 271(c) OF THE TELECOMMUNICATIONS ACT OF 1996	)))))	CASE NO. 8751

AFFIDAVIT OF PENN PFAUTZ
ON BEHALF OF AT&T COMMUNICATIONS OF MARYLAND, INC.

State of New Jersey)
) ss
County of Monmouth)

I, Penn Pfautz, being first duly sworn upon oath, do hereby depose and state as follows:

1. My business address is Room 3F532, 101 Crawford's Corner Road, Holmdel, New Jersey 07733. I am employed by AT&T as a Principal Technical Staff Member of the Network Implementation Division of AT&T Corp. I have held that position since mid-1996.

QUALIFICATIONS.

2. I earned my B.A. in psychology from Antioch College in 1973, a Masters Degree in psychology from Yale University in 1975, and a PhD in psychology from Yale University in 1980. I joined Bell Telephone Laboratories as a Member of the Technical Staff in 1980. I worked in a variety of assignments, and was appointed a Distinguished Member of Technical Staff at AT&T Bell Laboratories in 1992.

3. I have been involved in the area of local number portability since 1994. I was a member of the AT&T Team that developed "Location Routing Number" ("LRN"), a method of

providing local number portability. LRN has been adopted in Maryland and other states throughout the nation as a long-term vehicle for providing local number portability in compliance with the requirements of the Telecommunications Act of 1996 and the regulations of the Federal Communications Commission ("FCC").[1] I have made presentations on LRN to industry and state regulatory groups. On behalf of AT&T, I also responded to Bell Atlantic's request to this Commission to permit implementation of Query-on-Release, an alternative proposal for providing permanent, long-term local number portability. I was invited to make presentations on local number portability to the `95 National Communications Forum in Chicago, the Telecom Research Services Conference on Number Portability II and Number Administration, the IIR, Ltd. Conference on Number Portability in London, England, and in March, 1997 I gave a presentation at the IN World Forum TechForum on LNP.

4. I am responsible for AT&T's technical strategy for interim local number portability. In 1995 I presented a survey of interim local number portability methods, "Interim LNP Report," to the Industry Numbering Committee. The survey became the basis of a report submitted by the Colorado Local Number Portability Operations & Implementation Committee to the Colorado Local Number Portability Steering Committee, chaired by Bruce

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[1] See generally In the Matter of Telephone Number Portability, First Memorandum Opinion and Order on Reconsideration ("Reconsideration Order") at 5 (¶ 5) (March 11, 1997)(Colorado, Georgia, Illinois, Maryland, New York, Ohio, and California have adopted LRN).

Armstrong of the Colorado Public Utilities Commission. I have provided technical support to AT&T on interim number portability issues that have arisen during AT&T's efforts to negotiate interconnection agreements with the Regional Bell Operating Companies, GTE, and Sprint.

5. This affidavit responds to the Statement of Donald E. Albert, submitted on behalf of Bell Atlantic-Maryland, Inc. ("Bell Atlantic"), and demonstrates that Bell Atlantic has not met the requirements of Section 271 of the Telecommunications Act of 1996 and the FCC's implementing regulations with respect to providing local number portability.

SUMMARY

6. The ability of a telephone customer to retain her telephone number when she switches local service providers (referred to as "local number portability") is vital to the development of effective competition in the local exchange markets. For that reason, Congress specifically required Bell Atlantic and other local exchange carriers ("LECs") to provide local number portability in accordance with FCC regulations. The FCC has prescribed a schedule for development and implementation of a method of providing local number portability that will facilitate competition in the local exchange service market. Because a permanent, long-term local number portability methodology of the sort contemplated by the statute will not be implemented in many parts of the country for years, however, the

FCC explicitly required Bell Atlantic and other local exchange carriers to offer interim local number portability.

7. Bell Atlantic refuses to provide one of the most competitively significant interim local number portability methods AT&T requested: Route Indexing-Portability Hub ("RIPH"). There is no defensible basis for Bell Atlantic's flat refusal to use RIPH to provide interim number portability. In many instances, RIPH will be the most efficient and cost effective way for AT&T to begin to compete to provide local exchange service to medium and large business customers -- a critical segment of the market that Bell Atlantic doubtless would prefer to retain. The FCC's regulation unambiguously requires Bell Atlantic to provide RIPH and each of the other interim local number portability options AT&T requested. Bell Atlantic's refusal to provide interim local number portability in accordance with the FCC's regulations is wholly inconsistent with the Act and transparently anticompetitive.

BACKGROUND

8. At the outset, it is important to appreciate the central importance of local number portability to the development of effective competition in the local exchange market. As used in my affidavit, the term "local number portability" refers to the ability of a customer to change his local service provider, but retain his telephone number at the same location and without impairment of service or functionality. See generally 47 U.S.C. § 153(30) (defining "number portability" as the "ability of users

of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another").

9. Telephone numbers are completely integrated into the social fabric and commerce of this country. Among the first numbers a child memorizes are his own and his grandmother's telephone numbers. Telephone numbers of friends and family are handwritten into countless address books. Telephone numbers are printed in millions of directories. Businesses spend years positioning their phone numbers with customers. Business telephone numbers are printed on business cards, stationery, calendars, refrigerator magnets, and on the sides of service vehicles. Business telephone numbers are the subject of jingles, and the focus of multi-million dollar advertising campaigns. Given this sort of investment, it is not surprising that businesses view their telephone numbers as business assets.

10. Congress and the FCC recognized that local number portability is essential to meaningful competition in the provision of local exchange services. E.g., In the Matter of Telephone Number Portability ("Number Portability Order"), 11 FCC Rcd 8352, 8354-55 & nn. 7-8, 8367-68, 8411 (1996)(¶¶ 2, 28-31, 113). The FCC cited a nationwide Gallup survey presented by MCI that showed that "83% of business customers and 80% of residential customers would be unlikely to change local service providers if they had to change their telephone numbers." See

Number Portability Order, 11 FCC Rcd at 8367-69 (¶¶ 29-31). Without local number portability, competition in the local exchange service market will be stillborn.

11. Number portability is an essential prerequisite to opening the local exchange markets to effective competition. If AT&T and other competitive local exchange carriers ("CLECs") can provide local exchange service in competition with Bell Atlantic only by requiring customers to change their telephone numbers, Bell Atlantic will continue to be the monopoly provider of local exchange service, immune from effective competition, even if AT&T or other carriers are more efficient and offer higher quality or lower priced services.

PERMANENT LOCAL NUMBER PORTABILITY

12. Pursuant to the Telecommunications Act of 1996, the FCC prescribed minimum criteria for a permanent, long-term method of providing local number portability. A permanent long-term number portability method must: (1) support existing network services, features, and capabilities; (2) efficiently use numbering resources; (3) not require end users to change their telecommunications numbers;(4) not result in unreasonable degradation in service quality or network reliability when implemented; (5) not result in any degradation of service quality or network reliability when customers switch carriers; (6) not result in a carrier having a proprietary interest in the number portability methodology; (7) be able to accommodate location and service portability in the future; and (8) have no significant

adverse impact outside the areas where number portability is deployed. 47 C.F.R. § 52.23(a), as amended, Reconsideration Order at 12-13 (¶ 19); id., Appendix B.

13. The FCC prescribed a two-year schedule for development of a method of providing local number portability that satisfied its minimum criteria and its deployment in the 100 largest Metropolitan Statistical Areas ("MSAs"), including Baltimore, Maryland (May 15, 1998). Reconsideration Order, Appendix E; 47 C.F.R. § 52.23(b) & Appendix A. Upon timely request, Bell Atlantic and other local exchange carriers also must implement a permanent, long term number portability method in areas outside the 100 largest MSAs by June 30, 1999. See 47 C.F.R. § 52.23(c); Reconsideration Order at 63 (¶ 107). This Commission directed Bell Atlantic to implement LRN in the two largest Maryland local access and transport areas ("LATAs") by the third quarter of 1997. In the Matter of the Commission's Investigation into Long Term Solutions to Number Portability in Maryland, Order No. 72708 (June 24, 1996).

14. Even if there are no unforeseeable, but inevitable, delays in implementing LRN, and Bell Atlantic meets its current implementation schedule, permanent, long-term number portability will not be available in some Maryland markets for more than a year. Although this Commission ordered Bell Atlantic to implement LRN in the two largest LATAs by the third quarter of 1997, Bell Atlantic is not scheduled to implement LRN in the rest of the state before June 30, 1998. Further, under the current

FCC schedule permanent, long-term number portability would not be available outside the 100 largest MSAs for more than two years. Indeed, under the FCC schedule permanent, long-term number portability would not be available in about 44% of the 100 largest MSAs until the Fourth Quarter, 1998.

INTERIM LOCAL NUMBER PORTABILITY

15. Recognizing that permanent, long-term number portability satisfying the requirements of the Act would not be available under the best of circumstances in significant local markets for a considerable length of time, the FCC specifically required Bell Atlantic and other local exchange carriers to provide interim local number portability using "Remote Call Forwarding ("RCF"), Flexible Direct Inward Dialing ("DID"), or any other comparable and technically feasible method as soon as reasonably possible upon receipt of a specific request." 47 C.F.R. § 52.27; see Number Portability Order, 11 FCC Rcd at 8356, 8409 (¶¶ 6, 110). Further, the FCC explained: "when a number portability method that better satisfies the requirements of section 251(b)(2) than currently available measures becomes technically feasible, [Bell Atlantic and other local exchange carriers] must provide number portability by such means." Id. at 8412 (¶ 115).

16. Today, there are at least five "technically feasible" methods of providing local number portability, pending deployment of permanent, long-term number portability: two specifically mentioned in the FCC regulation, Remote Call

Forwarding ("RCF") and Flexible Direct Inward Dialing ("DID"), and three others, Route Indexing-Portability Hub ("RIPH"), Directory Number Route Indexing ("DNRI"), and Local Exchange Route Guide ("LERG") reassignment (also known as NXX migration), each of which is described in the FCC's Number Portability Order. See generally Number Portability Order 11 FCC Rcd at 8361-62(¶¶ 19-20); id., Appendix E (¶¶ 10-12).

17. RCF and DID are services provided by Bell Atlantic today, which can be used to provide some "semblance" of local number portability. Number Portability Order, Appendix E (¶¶ 10-11). RCF allows a customer to have calls to her telephone number at one location (such as her home) automatically transferred at the central office switch to a specified second telephone number generally at a second location (for example, a summer home). Using RCF to provide local number portability for a Bell Atlantic customer who transferred her local service to AT&T, the call is processed to the Bell Atlantic end office that normally terminates calls to the customer's NXX. The Bell Atlantic end office switch translates the called number to a number with an NXX designating AT&T's switch. The call is then routed to AT&T's switch over Bell Atlantic's network, and terminated by AT&T to the customer. See Number Portability Order, Appendix E (¶ 10).

18. DID is a service generally for business customers with private branch exchanges (PBXs). Calls to any of the telephone extensions served by the customer's PBX are processed to the appropriate Bell Atlantic end office and from there routed

over dedicated trunk groups to the customer's PBX, which routes the calls to the appropriate extensions. DID can be used to provide number portability for a customer who switches from Bell Atlantic to AT&T by treating AT&T's switch as if it were a customer PBX. Thus, using DID to provide number portability is similar to using RCF, except the call is processed to Bell Atlantic's end office and then routed to AT&T's switch over a dedicated trunk group, rather than translated into a second number and routed to AT&T over Bell Atlantic's network. Id., Appendix E (¶ 11).

19. For present purposes, the only significant difference between the two route indexing methods of providing number portability, RIPH and DNRI, is that DNRI (like DID) requires direct trunk groups between the AT&T switch and each Bell Atlantic end office from which numbers are to be ported. In contrast to DNRI, RIPH involves routing the call from the Bell Atlantic end office to an AT&T switch by way of a Bell Atlantic tandem switch. The Bell Atlantic end office switch adds a 1XX prefix to the telephone number to identify the competitive service provider to which the call will be routed. Then, as the FCC described it, the "10 to 13-digit number (telephone number with the 1XX prefix) is transmitted to the LEC tandem switch to which the competitive exchange provider is connected. The tandem switch strips the 1XX prefix from the dialed number, and routes the call to the competitive exchange provider's switch, from

where the routing of the call is terminated." Number Portability Order, Appendix E (¶ 12).[2]

20. Today, all carriers use the Local Exchange Routing Guide to identify the appropriate local exchange carrier end office switch to terminate calls to a particular NXX. As the names suggest, LERG reassignment or NXX migration is no more complicated than substituting a code identifying AT&T's switch or that of another competitive local exchange carrier as the appropriate office for terminating calls to a particular NXX. LERG reassignment is feasible for especially large customers assigned an entire NXX -- a block of 10,000 telephone numbers.

21. As the FCC recognized, each of the currently available vehicles for providing local number portability has significant shortcomings that put competing local exchange carriers at a disadvantage and therefore make it unsuitable as a permanent, long-term method of providing local number portability. See Number Portability Order, 11 FCC Rcd at 8361-62, 8411-12(¶¶ 19, 115). For example, the FCC described the disadvantages of RCF as follows: "(1) it requires the use of two, ten-digit telephone numbers and thus strains number plan administration and contributes to area code exhaust; (2) it generally does not support several custom local area signaling

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[2] Generally, the Bell Atlantic end office would only need to transmit 10-digits to the tandem. If the AT&T switch terminates local calls to more than one NPA, however, the Bell Atlantic end office will need to transmit 13-digits. Some end office switches may be unable to transmit 13-digits, but a second AT&T 1XX code could be assigned to identify the NPA to which AT&T should direct the call.

services (CLASS), such as caller ID, and may degrade transmission quality, because it actually places a second call to a transparent telephone number; (3) it can handle only a limited number of calls to [a single number for a customer of a] competing service provider at any one time; (4) it may result in longer call set-up times; (5) it requires the use of the incumbent LEC network for routing of calls; (6) it may enable incumbents to access competitors' proprietary information; (7) it may result in more complicated resolution of customer complaints; (8) the potential for call blocking may be increased; and (9) it may impose substantial costs upon new entrants." Number Portability Order, Appendix E (¶ 10). As the FCC noted, DID "has many of the same limitations as RCF, although DID can process more simultaneous calls to a competing service provider [number]." Number Portability Order, Appendix E (¶ 11).

22. Although none of the technically feasible methods of providing local number portability is adequate alone, even for interim use, together RCF, RIPH, DNRI, and LERG reassignment permit AT&T to compete for most significant aspects of the local exchange market, albeit at a substantial competitive disadvantage to Bell Atlantic. Until permanent local number portability that meets the minimum criteria prescribed by the FCC is available, AT&T must be able to select the form of interim local number portability that best fits the needs of a particular customer, at the best price.

23. RCF can be used to provide local number portability to residential customers and small business customers, with only one or a few lines. As explained below, however, RCF is generally not suitable for providing local number portability for medium to large business customers, with direct inward dialing private branch exchanges ("PBXs") serving 10 or more lines.

24. For both technical and practical reasons, the route indexing methods of providing number portability are essential to competition for medium to large business customers. Where the expected volume of traffic is insufficient to warrant individual trunk groups between the AT&T switch and Bell Atlantic's end office or, as is likely to be the case initially, AT&T has no reasonably reliable basis for identifying which specific customers will move to AT&T and thus the end offices from which numbers will be ported, RIPH is the only available, practical alternative for providing number portability for medium to large business customers. RIPH allows ported calls from a number of Bell Atlantic end offices to be aggregated at Bell Atlantic's tandem switch before being routed to AT&T.

25. DNRI is also a form of route indexing, but it is somewhat less sophisticated than RIPH. As noted, its principal disadvantage as a vehicle for providing local number portability is that it requires direct trunk groups between the AT&T switch and each Bell Atlantic end office from which numbers are ported. Where the expected volume of traffic warrants individual trunk

groups, or trunk groups are already in place, or the Bell Atlantic tandem cannot accommodate the reasonably expected volume of additional traffic, DNRI may be an acceptable vehicle for providing local number portability for larger PBX customers. Where the Bell Atlantic tandem can accommodate the expected traffic and the expected volume of traffic does not warrant individual trunk groups, however, RIPH is considerably more efficient, cost effective, and practical than DNRI.

26. In addition, using RIPH to provide interim number portability minimizes stranded investment in trunks between AT&T's switch and Bell Atlantic end offices. When permanent number portability (i.e, LRN) is implemented, calls to ported numbers generally will not be routed to donor Bell Atlantic end offices. Consequently, trunks between the Bell Atlantic tandem switch and the AT&T switch are less likely to be rendered unnecessary by the implementation of permanent number portability than direct trunks between Bell Atlantic end offices and the AT&T switch.

27. Both RIPH and DNRI are far superior to either RCF or DID for providing number portability for medium to large business customers. RCF and DID are unacceptable for providing number portability for this segment of the market, even in the interim. RCF is unacceptable for these customers because providing separate "shadow numbers" for each of the extensions behind a direct inward dialing PBX would be extremely inefficient and a provisioning nightmare. In addition, RCF cannot

accommodate more than 99 simultaneous calls to a single number. DID is unsuitable for serving medium to large business customers, because it does not include SS7 signaling, which can result in longer call set-up and loss of features such as caller identification. Also, DID would require direct trunk groups between AT&T and the Bell Atlantic end-offices.

28. For the largest customers, those assigned an NXX block of 10,000 telephone numbers, LERG reassignment is a satisfactory method of providing interim local number portability. Because it can take as long as 75 days to implement a change in the Local Exchange Route Guide, however, RIPH also will be essential to serving these large customers between the time they select AT&T to provide local service and the time the LERG reassignment is completed.

NEGOTIATIONS BETWEEN AT&T AND BELL ATLANTIC

29. Negotiations between AT&T and Bell Atlantic on interim local number portability options began in August, 1996. AT&T advised Bell Atlantic that the two options offered by Bell Atlantic, RCF and DID (without SS7 signaling), were insufficient.[3] AT&T explained that it needed the option of ordering RCF, RIPH, DNRI, or LERG reassignment, depending on the particular needs of its customers.[4] Bell Atlantic initially

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[3] Later, it became apparent that Bell Atlantic was willing to offer LERG reassignment in addition to RCF and DID.

[4] Without SS7 signaling, DID offers nothing as a number portability option for serving any segment of the market that is not better provided by one or more of the four interim number

(continued...)

refused to provide either RIPH or DNRI, ostensibly on the ground that route indexing was too complex and costly to implement in the interim pending deployment of long-term number portability in accordance with the FCC's schedule.

30. Bell Atlantic claimed it wanted to speak with representatives of other local exchange carriers to find out what they were doing with regard to interim local number portability. AT&T gave Bell Atlantic the names and telephone numbers of appropriate personnel from NYNEX and Ameritech, and later gave Bell Atlantic the name and telephone number of a representative of US West. For months, however, Bell Atlantic refused to budge. Finally, on February 11, 1997, AT&T arranged to have a representative of BellSouth participate in a telephone conference with Bell Atlantic. The BellSouth representative explained that there was no significant technical difficulty in assigning the translations required by RIPH or DNRI; the necessary information was in the 5ESS translation guide. He also described the five simple steps for performing the translations.

31. After months of unnecessary delay and painfully frustrating negotiations, Bell Atlantic was forced to acknowledge that route indexing was neither too complex nor too costly to use pending implementation of a permanent, long-term number portability method. Thus, shortly before its submission to this Commission, Bell Atlantic agreed to provide DNRI, subject to

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[4] (...continued)
portability methods AT&T requested.

joint technical and operational testing. (Inexplicably, Mr. Albert's statement mentions only RCF, DID, and LERG reassignment, although the statement that he executed on March 4, 1997 and submitted to the New Jersey Board of Public Utilities explicitly acknowledged Bell Atlantic's commitment to provide DNRI, subject to testing.)

32. Nonetheless, Bell Atlantic refuses to offer RIPH, even when it is demonstrably the most efficient and cost-effective vehicle for providing interim local number portability for larger PBX customers who want AT&T to provide their local service.

SECTION 271 COMPLIANCE

33. Any suggestion that Bell Atlantic has satisfied its local number portability obligations under the Telecommunications Act of 1996 and the FCC's regulations is untenable. Bell Atlantic's refusal to provide RIPH, which in many cases will be the most efficient and cost effective interim method for providing local number portability to medium and large business customers, is inconsistent with the Telecommunications Act of 1996, as well as the explicit requirements of the FCC's regulations. Bell Atlantic's refusal to provide RIPH will seriously and unnecessarily impede competition for a significant segment of the market for local exchange service in Maryland.

34. Sections 251(b)(2) and 271(c)(2)(B)(xi) of the Telecommunications Act of 1996 authorize the FCC to prescribe requirements for interim number portability and permanent, long-

term local number portability. 47 U.S.C. §§ 251(b)(2), 271(c)(2)(B)(xi).[5] Neither Bell Atlantic nor any of its affiliates may be authorized to offer interLATA services, unless Bell Atlantic offers both interim local number portability and permanent, long-term number portability in accordance with the FCC's regulations. 47 U.S.C. § 271.

35. As described above, the FCC's regulations unambiguously require Bell Atlantic to provide any "technically feasible" interim method for providing local number portability that is "comparable" to RCF and DID "as soon as reasonably possible upon receipt of a specific request." 47 C.F.R. § 52.27; see Number Portability Order, 11 FCC Rcd at 8411 (¶ 114).

36. RIPH is "comparable" to RCF and DID in the sense that each of these interim methods uses existing switching and network capabilities to provide a form of local number portability. None of these interim methods requires deployment

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[5] Section 251(b)(2) of the Telecommunications Act of 1996 provides that Bell Atlantic and every other local exchange carrier has "[t]he duty to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission." Under Section 271 of the Act, Bell Atlantic and its affiliates are prohibited from offering interLATA services unless Bell Atlantic complies with a competitive checklist, including providing number portability in accordance with the FCC's regulations: "Until the date by which the Commission issues regulations pursuant to Section 251 to require number portability, [Bell Atlantic and the other former Bell operating companies must provide] interim telecommunications number portability through remote call forwarding, direct inward dialing trunks, or other comparable arrangements, with as little impairment of functioning, quality, reliability, and convenience as possible. After that date, [the former Bell operating companies must be in] full compliance with such regulations." 47 U.S.C. § 271(c)(2)(B)(xi)(emphasis added).

of a new database. See generally Reconsideration Order at 3 n.4. As the FCC noted, RIPH and DNRI are essentially derivatives of RCF and DID. Number Portability Order, Appendix E (¶ 12). Each of these methods of providing interim local number portability is software driven. In fact, RIPH and DNRI are based on the same route indexing capability that is generally used to provide DID service to PBX customers. Finally, RIPH, DNRI, DID, and RCF all require calls to be processed through to Bell Atlantic end-offices before being "ported" to AT&T's switch for termination.

37. Clearly, RIPH is "technically feasible" as well. Local exchange carriers have agreed or have been ordered to provide RIPH in more than half of the 50 states:

- BellSouth agreed to provide RIPH in each of the nine states in which it provides local exchange service;
- US West agreed to provide RIPH in the 14 states in which it provides local exchange service;
- Pacific Bell and GTE were ordered to provide RIPH in California by the California PUC;
- Ameritech and GTE were ordered to provide RIPH in Indiana by the Indiana PUC;
- GTE was ordered to provide RIPH in Missouri, Texas, and Florida by the commissions in those states; and
- Sprint Local has agreed to provide RIPH in the areas in which it provides local exchange service, subject to field testing with AT&T.

38. Since RIPH clearly is both "comparable" to RCF and DID and "technically feasible," Bell Atlantic must provide it in addition to RCF, DNRI, LERG reassignment, or other interim methods of providing local number portability. Unless Bell Atlantic provides RIPH, it has not satisfied the requirements of

§§ 251(b)(2) and 271(c)(2)(B)(xi), pending implementation of permanent local number portability. In fact, Bell Atlantic already should be developing methods and procedures for provisioning RIPH, including order forms, an electronic interface, and cost and pricing information.

39. Where the expected volume of traffic warrants direct trunk groups between AT&T's switch and the Bell Atlantic end office, or the trunk groups are already in place, or the appropriate Bell Atlantic tandem switch cannot accommodate the expected volume of traffic from particular PBX customers, DNRI may be an acceptable interim method of providing local number portability. Bell Atlantic's flat, across-the-board refusal to consider what in some, if not most cases, will be the most cost effective and efficient interim method of providing local number portability for medium and large business customers, however, is wholly inconsistent with the statute and the FCC's regulation.

40. Bell Atlantic's refusal to provide RIPH is brazenly anticompetitive. In effect, it requires AT&T to choose between (1) incurring the expense of building direct trunk groups to each Bell Atlantic end office in advance, before AT&T has any local customers and before it has sufficient experience to estimate the likely volume of local traffic, (2) marketing services without having the direct trunks in place and taking the substantial risk that Bell Atlantic's delay in installing the trunks to AT&T's switch could alienate AT&T's new customers before AT&T even begins to provide service, and (3) forgoing

competition for medium and large business customers in the local market until permanent local number portability is in place. Bell Atlantic has offered no good reason for its refusal to provide RIPH; there is none. The Telecommunications Act of 1996 and the FCC's regulation deny Bell Atlantic the power to delay or discourage competition in the local exchange market by simply refusing a request for a readily available, efficient, and cost effective interim method of providing number portability for business customers, solely because Bell Atlantic would prefer that its competitors use a less efficient, more costly alternative.

41. Under no circumstances could the promise of permanent number portability justify Bell Atlantic's refusal to provide technically feasible interim local number portability methods in accordance with the FCC's regulations. The FCC recognized that permanent number portability might not be fully implemented throughout the country for years. It was for precisely this reason that the FCC rejected Bell Atlantic's argument that the FCC did not need to address interim number portability, and specifically required Bell Atlantic and other local exchange carriers to provide technically feasible interim methods. See Number Portability Order at 8406 & nn. 304 & 305 (¶ 105). This Commission has directed Bell Atlantic to deploy LRN in the two largest Maryland local access and transport areas by third quarter, 1997, but LRN is not likely to be implemented

in the rest of the state before the end of the second quarter, 1998 (or later under the FCC schedule).

42. Moreover, there is substantial reason for concern that Bell Atlantic will not meet this Commission's schedule for implementation of permanent local number portability. The FCC already has been persuaded to postpone the implementation dates for implementation of permanent number portability once. Reconsideration Order at 48-49 (¶¶ 79-80); id. at Appendix F. While the schedule prescribed by this Commission has not yet been extended, Bell Atlantic has suggested that the third quarter 1997 implementation date for the two largest Maryland LATAs may slip to October, 1997. Thus, interim local number portability might very well be in effect throughout Maryland for longer than contemplated by either this Commission or the FCC.

43. The history of AT&T's negotiations with Bell Atlantic on interim number portability would be reason enough for concern. Bell Atlantic's obdurate refusal to offer any form of route indexing until the last possible moment (shortly before its submission to this Commission) and its continuing refusal to offer RIPH, suggest Bell Atlantic may be as concerned about frustrating effective competition in its local exchange service area as about its own entry into the interLATA market.

44. Bell Atlantic's refusal to join the Mid-Atlantic Carrier Acquisition Company, LLC ("MCAC") is another reason for concern about Bell Atlantic's commitment to implementing a timely permanent local number portability solution. About 20 months

ago, this Commission convened an industry consortium to agree on a database solution to providing permanent, long-term number portability that could be implemented throughout the Mid-Atlantic region. Similar efforts inspired by the Maryland model are underway throughout the country. As a practical matter, Bell Atlantic had little choice but to participate in the industry consortium convened by this Commission. Nonetheless, it has spurned repeated invitations to join MCAC, the legal entity that will select and negotiate a "Master" contract with a neutral third-party to administer the permanent local number portability database. In contrast, NYNEX, Ameritech, US West, Pacific Bell, BellSouth, and other major local exchange carriers throughout the country have all joined similar entities seeking to implement permanent local number portability in their respective regions.[6] Bell Atlantic's refusal to join MCAC could jeopardize efforts to implement a timely permanent local number portability solution that can be deployed throughout the Mid-Atlantic region.[7]

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[6] See generally Reconsideration Order at 7 ¶ 10) ("carriers in Illinois, Georgia, California, Maryland, Colorado, New York, and Texas have formed a Limited Liability Corporation and issued a Request for Proposal ("RFP") for each state to construct and maintain a number portability database").

[7] Also Bell Atlantic representatives have suggested Bell Atlantic could comply with the schedule for implementation of permanent number portability by beginning implementation in a single end office on the first day of the period in which implementation is required in a particular MSA or LATA, but waiting until the last day of the period for every other end office in the MSA or LATA. Even assuming that a roll-out schedule of this sort would comply with the literal language of the FCC's regulations and this Commission's order, there is only one reason anyone would consider adopting it: to delay

(continued...)

45. As long as Bell Atlantic can delay providing efficient, cost-effective interim local number portability or permanent local number portability, it will remain insulated from meaningful competition in the local exchange service market, and Maryland will be denied the benefits of local competition available throughout the rest of the country. If Maryland is to enjoy the benefits of local exchange service competition, Bell Atlantic should not be authorized to offer interLATA services until it has fully complied with the FCC's regulations on number portability.

CONCLUSION

46. Bell Atlantic's refusal to provide RIPH is flatly inconsistent with the requirements of the Telecommunications Act of 1996 and the FCC's regulations. Unless Bell Atlantic provides RIPH, pending implementation of a permanent method of local number portability, it has not satisfied the requirements of Section 271(c)(2)(B)(xi), and it cannot be permitted to offer interLATA services.

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[7] (...continued)
competition for as long as possible.

I swear that the foregoing is true and correct to the best of my knowledge and belief.

Penn Pfautz

Sworn and signed before me
this 11 day of April, 1997

My Commission expires:

NOTARY PUBLIC STATE OF NEW JERSEY
Commission Expires October 11, 2000

Notary Public

NOTARY PUBLIC STATE OF NEW JERSEY
My Commission Expires October 11, 2000
G Devi Manchikalapati